Exhibit 7

Do individual investors pay attention to the information acquisition activities of institutional investors?

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ABSTRACT

This study investigates individual investors' responses to institutional investors' information acquisition activities. We examine the association between institutional investors' site visits and individual investors' posts on the online message board. We find that the total abnormal posts of individual investors significantly increase after institutional investors' site visits. Additional tests show that individual investors will pay more attention when institutional investors visit firms with low profitability, high earnings management, low manager sentiment, and poor environmental, social, and governance (ESG) performance.

1. Introduction

Scholars are increasingly paying attention to investors' information acquisition activities, such as the site visits conducted by institutional investors. On the one hand, asset pricing contains the process of absorbing investors' beliefs (Borovička et al., 2016); on the other hand, private communication with managers is one of the most effective ways to obtain valuable information (Brown et al., 2015; Soltes, 2014). However, despite existing literature suggesting that institutional investors can obtain "additional information" (Brown et al., 2015; Cheng et al., 2016; Green et al., 2014; Han et al., 2018) or "private information" (Bowen et al., 2018; Bushee et al., 2011) through communicating with managers, many firms do not specifically keep records of these private conversations (Soltes, 2014). In 2012, the Shenzhen Stock Exchange (SZSE) asked listed firms to disclose the site visit report within two working days[1] to promote fair information. This regulation successfully guarantees the fairness of information acquisition; for example, the earnings forecast accuracy of non-visiting analysts improves significantly with public site visit reports (Yang et al., 2020a).

Scholars produce a great deal of worthwhile research on active information acquisition by institutional investors or analysts using the site visit data of the Chinese A-share market. However, they ignore an essential trader — individual investors. Are individual investors interested in institutional investors' information acquisition activities? Existing research focuses on the independent information-gathering activities of individual and institutional investors. One argument is that if the information is made public, individual and institutional investors might obtain it simultaneously. As a result, quantifying how much institutional investors

influence individual investors' decisions is difficult. Another difficulty is that most markets do not mandate disclosing the private communications between institutional investors and firms, so we cannot accurately analyze whether individual investors are interested in institutional investors' information acquisition. Meanwhile, individual investors are considerably inferior to institutional investors and analysts in terms of skill, financial budget, and time, and we cannot dismiss individual investors' interest in firm-related information indiscriminately. Due to the limited attention of individual investors (Kahneman, 1973), salient information can better influence individual investors' decisions (Ramos et al., 2020).

The information acquisition theory suggests that investors' information acquisition occurs when new information impacts the stock price (Kim and Verrecchia, 1997), and investors will receive compensation from the high information acquisition activities (Grossman and Stiglitz, 1980). Previous studies have shown that institutional investors can obtain positive abnormal returns through information acquisition activities (Chen et al., 2022; Drake et al., 2020). Meanwhile, the adaptive market hypothesis suggests that experience reinforces the learning behavior of individual investors (Lo, 2004). Therefore, we expect that individual investors will pay attention to the information acquisition activities of institutional investors.

The Chinese capital market is an ideal testing ground for tackling this issue. First, while individual investors seldom engage in site visits,[2] the SZSE regulation assures that they have the right to know and get accurate information. Second, to determine whether or not individual investors are paying attention to institutional investors' site visits, it is necessary to guarantee that individual investors receive the site visit report promptly and conveniently; the *GUBA* forum is a perfect solution to this problem. *GUBA*[3] is the most popular online message board in China, with the most registered users (Ang et al., 2021; Hong et al., 2014; Huang et al., 2016), and its users are almost all individual investors. Each stock has its own sub-forum on *GUBA*, and in addition to investors' posts, *GUBA* will synchronously update all firms' announcements. Thus, the site visit report will be shared on *GUBA* promptly. We can better capture individual investor behavior through *GUBA*'s posts. Li et al. (2018) suggest that *GUBA* can assist in lessening the information asymmetry between individual investors and firms. Huang et al. (2016) use the poster's IP address data to test the individual investors' local bias. Yang et al. (2020b) argue that pessimistic posts intensify panic among individual investors and trigger stock price crashes; Li et al. (2022) find that posts by individual investors can strengthen the firm's information environment.

We develop a proxy, total abnormal posts of individual investors (*TAP*), to measure individual investors' attention according to the posts on *GUBA* with the method of Da et al. (2011). Our logic is that compared to firms without site visits, individual investors who pay attention to institutional investors' information acquisition activities will post more on *GUBA* for firms that disclose site visit reports, suggesting a significant rise in total abnormal posts. We use SZSE A-share listed firms from August 1, 2012, and December 23, 2022, with and without site visit records by institutional investors, to obtain treated and control firms through propensity score matching (PSM). Each treated firm matches one firm with the closest propensity scores as its control firm.

We obtain two main findings. First, the total abnormal posts of individual investors significantly increase after disclosing the site visit reports when controlling a set of variables. Our results are robust using alternative variables to measure *TAP* and expanded research samples. These results provide empirical evidence that individual investors care about institutional investors' information acquisition activities. Second, we discover that individual investors will pay attention to institutional investors' information acquisition activities for firms with low profit, poor information environment, low manager sentiment, and poor environmental, social, and governance (ESG) performance.

Our study contributes to the literature in several ways. First, we contribute to the literature by testing whether individual investors are concerned about institutional investors' information acquisition efforts through site visits. Individual investors seldom engage in site visits. However, SZSE regulations also enable individual investors to get this information, allowing us to correlate individual investor behavior with institutional investor activities. We use posts from individual investors on online message boards to investigate the abnormal posts of individual investors after the disclosure of site visit reports. To the best of our knowledge, this is the first study to explore individual investors' attention to institutional investor information acquisition activities. Second, our work enriches the literature on online message boards and individual investors' behavior. Existing research mainly focuses on the impact of individual investor behavior on stock returns or firm value. Our research focuses on the factors that affect the attention of individual investors and enriches the literature on the use of stock message boards to study individual investor behavior. Third, our findings have implications for developed markets. Individual investors have become a force to be reckoned with against institutional investors with the rise of social media, such as Reddit, which played an important role for individual investors in the struggle against the GameStop short squeeze in the United States.

2. Data and research design

2.1. Data

Our sample consists of firms listed on the SZSE in China from August 1, 2012, to December 23, 2022. Our sample begins on August 1, 2012, since SZSE issued Memorandum 41st in July 2012 and required that SZSE-listed firms disclose the record of investor relations activities (i.e., site visit report) within two trading days after the site visit event. December 23, 2022, is the Friday of the penultimate

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[2] In 5596 site visits used in this study, individual investors only participated in 0.4% of them.

[3] *GUBA* (http://guba.eastmoney.com/) forum is an interactive community for investors under *East Money* to exchange investment experience, which launched in January 2006. *East Money* (http://www.eastmoney.com/) is a professional Internet wealth management integrated operator in China, offering a large amount of users with Internet-based financial information, data, transactions, and other services.
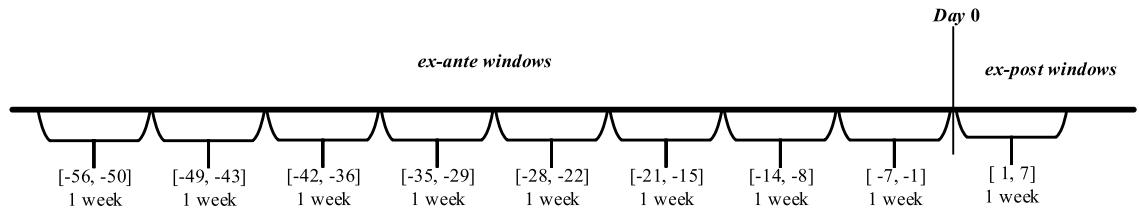
Fig. 1. Schematic diagram of the windows for the *TAP* calculation.
Notes: This figure shows the schematic diagram of the window period for *TAP* calculation. We define day 0 as the day of disclosure of the corporate site visit report, ex-ante as the period before day 0, and ex-post as the time after day 0, neither period contains day 0. For the control sample, day 0 is the date on which the matched treated firm discloses the site visit report.

week of 2022, and the data of the last week of this year is used to calculate the *TAP*. Our sample contains site visit data from the China Stock Market & Accounting Research (CSMAR). The data for posts on *GUBA* is from the Chinese Research Data Services Platform (CNRDS). The control variables are defined in Appendix Table A.1 and taken from these databases. We exclude (i) the new site visit report disclosed less than 14 days after the last report; (ii) the site visit reports disclosed on non-trading days; (iii) the financial firms; (iv) the special treatment stocks (including ST, *ST, PT); and (v) the missing values for the control variables. After PSM, we finally get 10,872 observations, which comprised 5596 site visit events for 759 unique firms from 2012 to 2022. We winsorize all continuous variables at 1 % at both tails.

2.2. Propensity score matching

There is an obvious sample selection problem if we only use firms with site visit reports since we cannot determine how individual investors would react to firms without site visit reports. To examine the difference in total abnormal posts across firms with and without site visit reports, we use the PSM method to construct our research sample, with firms with site visit reports as treated samples and those without as control samples.[4] We control for variables affecting institutional investors' site visit decisions following Cheng et al. (2019). We use the caliper nearest neighbor matching with no replacement to select the control sample. Each treated firm is matched to one firm with the closest propensity scores as the control firm for each year. Finally, we get 5596 observations of treated firms and 5276 observations of control firms for our baseline regression. The control firms are less than the treated firms because some variables in the control firms have missing values in the following baseline regression.

2.3. Research design

Following Cheng et al. (2019) and Drake et al. (2012), we set the baseline regression:

$$TAP_{i,t} = \beta_0 + \beta_1 DVisit_{i,t} + \beta_x Controls_{i,t} + FixedEffect + \varepsilon_{i,t} \tag{1}$$

where *TAP* represents the total abnormal posts of individual investors and is defined as follows:

$$TAP_i = \ln\left(1 + Posts_i^{[1,7]}\right) - \ln\left[1 + median\left(Posts_i^{[-7,-1]}, Posts_i^{[-14,-8]}, \cdots, Posts_i^{[-56,-50]}\right)\right] \tag{2}$$

where $Posts_i$ is the total posts for firm i on *GUBA* in seven days, TAP_i is the natural logarithm of one plus $Posts_i$ during the ex-post event window [1,7] less the natural logarithm of one plus the median value of $Posts_i$ over the ex-ante event window [−56,−1] for firm i, the ex-ante event window is equally divided into eight groups. Fig. 1 shows the schematic diagram for *TAP* calculation. *DVisit* is the proxy for whether institutional investors conduct a site visit. *DVisit* equals one for treated firms and zero for control firms. We control for a set of variables that may affect the individual investors' attention (Ben-Rephael et al., 2017): abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcements during the window [−56, 7] (*Bigevent_AF, Bigevent_BF*), information quality of firms (*Big4, RankingB, RankingC, RankingD*). All variables in Model (1) are defined in Appendix Table A.1. We also control for the year-fixed effect (*Year FE*), quarter-fixed effect (*Quarter FE*), day-of-week fixed effect (*Day of Week FE*), and industry-fixed effect (*Industry FE*).

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[4] It should be noted that we do not consider using A-share listed firms of the Shanghai Stock Exchange (SSE) for matching although site visits also exist in SSE-listed firms. However, firms in the SSE are not mandatorily required to disclose the corresponding reports within two trading days. Therefore, if SSE A-share listed firms are included, it is not possible to determine whether these firms have not conducted a site visit or indeed have conducted a site visit but without the site visit reports.

Table 1
The distribution of treated samples.

Panel A: Sample distribution by weekday

	Frequency	Percent
Monday	999	17.85
Tuesday	825	14.74
Wednesday	1061	18.96
Thursday	1250	22.34
Friday	1461	26.11
Total	**5596**	**100.00**

Panel B: Sample distribution by quarter

	Frequency	Percent
Quarter 1	845	15.10
Quarter 2	1391	24.86
Quarter 3	1626	29.06
Quarter 4	1734	30.99
Total	**5596**	**100.00**

Panel C: Sample distribution by year

	Frequency	Percent
2012	349	6.24
2013	564	10.08
2014	621	11.10
2015	504	9.01
2016	416	7.43
2017	499	8.92
2018	500	8.93
2019	556	9.94
2020	435	7.77
2021	562	10.04
2022	590	10.54
Total	**5596**	**100.00**

Panel D: Sample distribution by industry

		Frequency	Percent
A	Agriculture, forestry, livestock farming, fishery	67	1.20
B	Mining	93	1.66
C	Manufacturing	3971	70.96
D	Utilities	208	3.72
E	Construction	125	2.23
F	Wholesale and retail	231	4.13
G	Transportation	113	2.02
H	Hotel and catering industry	55	0.98
I	Information transmission, software, and IT service	251	4.49
K	Real estate	267	4.77
L	Leasing and commerce service	46	0.82
M	Scientific research and technology service	16	0.29
N	Water conservancy, environment, and public facilities	80	1.43
Q	Health and social work	6	0.11
R	Culture, sports, and entertainment	49	0.88
S	Comprehensive	18	0.32
Total		**5596**	**100.00**

Panel E: Firm distribution by industry

		Frequency	Percent
A	Agriculture, forestry, livestock farming, fishery	7	0.92
B	Mining	15	1.98
C	Manufacturing	520	68.51
D	Utilities	22	2.90
E	Construction	19	2.50
F	Wholesale and retail	34	4.48
G	Transportation	18	2.37
H	Hotel and catering industry	3	0.40
I	Information transmission, software, and IT service	41	5.40
K	Real estate	37	4.87
L	Leasing and commerce service	13	1.71
M	Scientific research and technology service	4	0.53

Table 1 (*continued*)

Panel E: Firm distribution by industry		Frequency	Percent
N	Water conservancy, environment, and public facilities	13	1.71
Q	Health and social work	2	0.26
R	Culture, sports, and entertainment	7	0.92
S	Comprehensive	4	0.53
Total		**759**	**100.00**

Notes: This table reports the sample distribution of firm site visits events from August 1, 2012, to December 23, 2022. Panel A reports the sample distribution of site visits by weekday. Panel B displays the sample distribution of site visits by quarter. Panel C shows the sample distribution of site visits by year. Panel D presents the sample distribution of site visits by industry. Panel E reports the sample distribution of site visits by industry at the firm levels. Industries are classified following the Guidelines on Industry Classification of Listed Companies issued by the China Securities Regulatory Commission (CSRC) issued in 2012.

3. Empirical results

3.1. The distribution of treated samples

Table 1 shows the sample distribution of firm site visits. Panel A reports that more than 25 % of site visit reports are issued on Friday, while fewer than 15 % are disclosed on Tuesday. Panel B concludes that nearly 15 % of site visits occur in the first quarter. Panel C shows the site visit distribution by year. Panel D exhibits the site visit distribution by industry, whereas Panel E shows the site visit distribution by industry at the firm level.

3.2. Summary statistics

Table 2 summarizes the statistics for the main variables. Panel A displays the results for all matched samples. The average of the *TAP* is 0.038, and the standard deviation is 0.66, indicating that individual investors' total abnormal posts vary substantially. Panel B shows the univariate mean difference test results. We detect a significant difference in the mean of the *TAP* for the treated and control groups and draw the preliminary result that site visit reports attract the attention of individual investors.

Table 2
Summary statistics.

Panel A: Matched samples						
Variable	N	Mean	SD	Min	Median	Max
TAP	10,872	0.038	0.660	−1.751	0.007	2.179
DVisit	10,872	0.515	0.500	0.000	1.000	1.000
AbNews	10,872	−0.216	0.513	−3.850	0.000	1.609
Ret	10,872	0.003	0.063	−0.184	0.002	0.208
Turnover	10,872	0.026	0.028	0.002	0.016	0.156
D52High	10,872	0.077	0.266	0.000	0.000	1.000
D52Low	10,872	0.058	0.235	0.000	0.000	1.000
SVI	10,872	8.811	0.760	7.067	8.761	11.070
Asset	10,872	22.492	1.285	20.079	22.352	26.217
BM	10,872	0.006	0.003	0.001	0.006	0.012
Institution	10,872	0.473	0.247	0.004	0.493	0.930
Analysts	10,872	1.598	1.177	0.000	1.609	3.829
Bigevent_AF	10,872	0.031	0.174	0.000	0.000	1.000
Bigevent_BF	10,872	0.902	0.297	0.000	1.000	1.000
Big4	10,872	0.062	0.240	0.000	0.000	1.000
RankingA	10,872	0.251	0.434	0.000	0.000	1.000
RankingB	10,872	0.653	0.476	0.000	1.000	1.000
RankingC	10,872	0.086	0.280	0.000	0.000	1.000
RankingD	10,872	0.010	0.101	0.000	0.000	1.000

Panel B: Univariate mean difference test				
	(1)	(2)	(1) - (2)	
Variable	*DVisit* = 1	*DVisit* = 0	Difference in mean	*t*-statistics
TAP	0.0533	0.0223	0.0310**	2.45

Notes: This table reports the summary statistics of our main variables. The sample period covers August 1, 2012, to December 23, 2022. Panel A shows the results of matched samples, and Panel B shows the univariate mean difference test results. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively. All variables are defined in Appendix Table A.1.

Table 3

The information acquisition activities of institutional investors and the individual investors' attention.

	(1) TAP	(2) TAP	(3) TAP	(4) TAP	(5) TAP	(6) TAP	(7) TAP	(8) TAP	(9) TAP	(10) TAP	(11) TAP	(12) TAP
DVisit	0.031*** (2.68)	0.032*** (2.80)	0.029** (2.54)	0.018 (1.56)	0.027** (2.10)	0.032*** (2.73)	0.035*** (3.02)	0.031*** (2.70)	0.024* (1.93)	0.024* (1.92)	0.024* (1.90)	0.024* (1.89)
AbNews		0.038*** (3.07)							0.034*** (2.79)	0.053*** (4.36)	0.034*** (2.76)	0.052*** (4.24)
Ret			0.530*** (4.46)						0.227* (1.90)	0.185 (1.60)	0.222* (1.86)	0.185 (1.60)
D52High				0.418*** (15.15)					0.306*** (11.06)	0.325*** (12.03)	0.303*** (11.01)	0.322*** (11.97)
D52Low				0.087*** (3.36)					0.130*** (5.27)	0.120*** (4.76)	0.127*** (5.17)	0.119*** (4.75)
SVI					0.180*** (11.68)				0.182*** (14.66)	0.229*** (14.54)	0.186*** (15.35)	0.235*** (15.12)
Asset						−0.008 (−0.96)			−0.072*** (−7.60)	−0.087*** (−6.81)	−0.078*** (−8.36)	−0.098*** (−7.55)
BM						3.439 (0.98)			22.232*** (5.89)	20.342*** (4.34)	23.806*** (6.43)	21.799*** (4.78)
Institution						−0.015 (−0.49)			0.031 (0.97)	0.078** (2.27)	0.044 (1.36)	0.087** (2.47)
Analysts						−0.003 (−0.48)			0.001 (0.14)	−0.006 (−0.72)	0.004 (0.59)	0.000 (0.01)
Bigevent_AF							0.064 (1.53)		0.057 (1.46)	0.062 (1.54)	0.055 (1.40)	0.061 (1.52)
Bigevent_BF							−0.065** (−2.46)		−0.077*** (−3.32)	−0.046* (−1.77)	−0.079*** (−3.37)	−0.048* (−1.83)
Big4								−0.015 (−0.69)	−0.027 (−0.86)	−0.026 (−0.75)	−0.026 (−0.83)	−0.023 (−0.65)
RankingB								0.004 (0.28)	0.001 (0.04)	0.002 (0.14)	0.001 (0.08)	0.003 (0.19)
RankingC								−0.006 (−0.24)	0.010 (0.38)	−0.001 (−0.05)	0.014 (0.52)	0.004 (0.15)
RankingD								0.041 (0.57)	0.046 (0.62)	0.049 (0.64)	0.047 (0.67)	0.054 (0.75)
Constant	0.048 (0.64)	0.059 (0.81)	0.046 (0.62)	0.035 (0.50)	−1.509*** (−9.72)	0.218 (1.30)	0.089 (1.15)	0.045 (0.60)	−0.057 (−0.34)	−0.090 (−0.46)	−0.058 (−0.33)	0.000 (0.00)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes
Day of Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
N	10,872	10,872	10,872	10,872	10,872	10,872	10,872	10,872	10,872	10,872	10,872	10,872
F-statistics	11.12	11.39	11.66	17.12	13.80	10.00	11.77	10.04	33.00	25.19	18.29	18.11
Adj. R^2	0.024	0.024	0.026	0.051	0.059	0.024	0.025	0.023	0.067	0.095	0.068	0.096

Notes: This table reports the results of estimating ordinary least squares regressions of the Model (1). The sample for the analysis consists of all matched SZSE-listed firms from August 1, 2012, to December 31, 2022. The dependent variable is the total abnormal posts of individual investors (TAP), and the main explanatory variable is a dummy variable for the site visit event (DVisit). We control for a set of variables that may affect the individual investors' attention: abnormal news coverage (AbNews), stock return (Ret), extreme returns (D52High, D52Low), search volume index (SVI), firm characteristics (Asset, BM, Institution, Analysts), major announcement during the window [−56, 7] (Bigevent_AF, Bigevent_BF), information quality of firm (Big4, RankingB, RankingC, RankingD). All variables are defined in Appendix Table A.1. Year FE is the year-fixed effect, Quarter FE is the quarter-fixed effect, Day of Week FE is the day-of-week fixed effect, and Industry FE represents the industry fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

Table 4
Alternative dependent and independent variables.

	(1) TAP	(2) TAP_mean	(3) DTAP_90	(4) DTAP_95	(5) TAP_Sina
Visitors	0.014**				
	(2.18)				
DVisit		0.024**	0.082**	0.075*	0.017*
		(2.08)	(2.08)	(1.85)	(1.79)
Constant	0.023	−0.651***	−2.316***	−2.017***	0.068
	(0.11)	(−3.36)	(−3.68)	(−3.11)	(0.48)
Controls	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes
N	10,872	10,872	10,872	10,872	10,864
F-statistics	18.17	22.84			13.89
Adj. R^2	0.096	0.108			0.090
Chi^2			702.09	654.20	
Pseudo R^2			0.050	0.050	

Notes: This table reports the robustness test results of using the alternative variables for *DVisit* and *TAP*. Column (1) reports the results of the dependent variable, *Visitors*. *Visitors* is the natural logarithm of one plus the number of visitors (i.e., visiting institutions) in a site visit event. Column (2) reports the results of the independent variable, *TAP_mean*, with the OLS regression. *TAP_mean* is calculated by replacing the median in the Model (2) with the average value, which is the natural logarithm of one plus $Posts_i$ during the ex-post event window [1,7] less the natural logarithm of one plus the average value of $Posts_i$ over the ex-ante event window [−56,−1] for firm i, the ex-ante event window is equally divided into eight groups. $Posts_i$ is the total posts for firm *i* on *GUBA* in seven days. Columns (3) and (4) report the results of the independent variable, *DTAP*, with the logit regression. *DTAP*_90 is a dummy variable that equals one if the average posts in the window [1,7] exceed 90 percent of the average posts in the window [−56,−1], 0 otherwise. *DTAP*_95 is a dummy variable that equals one if the average posts in the window [1,7] exceed 95 percent of the average posts in the window [−56,−1], 0 otherwise. Column (5) shows the results of using stock forum post data from the Sina. Controls represent a vector of variables that may affect the individual investors' attention: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, *Industry FE* is the industry-fixed effect, and *Industry FE* represents the industry-fixed effect. The numbers in parentheses in Column (1), (2) and (5) are the t-statistics, and the numbers in parentheses in Columns (3) and (4) are the Z-statistics. Standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

Table 5
Expanding the samples.

	(1) Keeping special treatment stocks	(2) Keeping weekends disclosing	(3) Keeping both
DVisit	0.0232*	0.0237*	0.0232*
	(1.85)	(1.89)	(1.85)
Constant	−0.0022	−0.0005	−0.0030
	(−0.01)	(−0.00)	(−0.01)
Controls	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes
N	11,068	10,880	11,076
F-statistics	18.35	17.79	18.03
Adj. R^2	0.096	0.096	0.096

Notes: This table reports the robustness test results for expanding the samples. Column (1) reports the results of the matched sample with the special treatment stocks (including ST, *ST, and PT), Column (2) reports the results of the matched sample with site visit reports that are disclosed on weekends, and Column (3) reports the results of the matched sample with the special treatment stocks and reports disclosed on weekends. *Controls* represent a vector of variables that may affect the individual investors' attention: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* is the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

Table 6
Different types of institutional investors.

	(1) TAP	(2) TAP
Buyers	0.020*	
	(1.88)	
PrivateFund		0.001
		(0.17)
MutualFund		0.007***
		(3.27)
OtherBuyers		−0.011***
		(−2.59)
Sellers	−0.004	0.017
	(−0.27)	(1.56)
Constant	0.038	−0.006
	(0.18)	(−0.03)
Controls	Yes	Yes
Year FE	Yes	Yes
Quarter FE	Yes	Yes
Day of Week FE	Yes	Yes
Industry FE	Yes	Yes
N	10,872	10,872
F-statistics	17.81	17.26
Adj. R^2	0.096	0.097

Notes: This table reports the regression results of distinguishing the different types of institutional investors. *Buyers* is the number of buy-side visitors for each site visit event. The buy-side visitors mainly include banks, funds, insurance, trust, asset management companies, venture capital companies, investment management companies, etc. *Sellers* is the number of sell-side visitors for each site visit event. The sell-side visitors mainly include securities brokers, futures companies, investment banks, investment consulting companies, etc. *PrivateFund* is the number of private funds for each site visit event. *MutualFund* is the number of mutual funds for each site visit event. *OtherBuyers* is the number of buy-side visitors excluding private funds and mutual funds for each site visit event. *Controls* represent a vector of variables: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables in both panels are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* is the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

3.3. Baseline regression

Table 3 reports the baseline regression results with Model (1). For comparison, we also gradually add control variables at different levels to enhance the robustness of our empirical results. All results use firm-level clustering robust standard errors. In Column (12), we add all control variables and fixed effects and find the coefficient of *DVisit* is significantly positive, and the adjusted R^2 in Column (12) is 9.6 %. Certainly, individual investors will indeed notice the site visit report. In other words, individual investors pay attention to institutional investors' information acquisition activities. Compared to firms without site visit reports (i.e., firms without site visits), firms with site visit reports can significantly improve the total abnormal posts of individual investors by 63.16 % (= 2.4 %/3.8 %).

3.4. Robustness test

3.4.1. Alternative dependent and independent variables

First, we use the number of visitors in each site visit to replace the *DVisit. Visitors* are the natural logarithm of one plus the number of visitors (i.e., visiting institutions) in a site visit event. Second, we construct three variables to replace *TAP: TAP_mean* is the natural logarithm of one plus *Posts* during the ex-post event window [1,7] less the natural logarithm of one plus the average value of *Posts* over the ex-ante event window [−56,−1]; *DTAP_90* equals one if the daily average posts in the window [1,7] exceed 90 % of the daily average posts in the window [−56,−1], 0 otherwise. *DTAP_95* equals one if the average posts in the window [1,7] exceed 95 % of the average posts in the window [−56,−1], 0 otherwise. The results are shown in Table 4. Column (1) reports results with *Visitors*, Column (2) reports results with *TAP_mean*, and Columns (3) and (4) report the logit regression with *DTAP_90* and *DTAP_95*. Third, Column (5) shows the results of constructing *TAP* with posts from the Sina stock forum (*TAP_Sina*). Feng and Johansson (2019) suggest that the Sina provides the largest social media with the fastest spread of news and opinions, significantly impacting Chinese Internet users (Jing and Zhang, 2021). Liu et al. (2018) find posts from Sina' user is significantly positive to the stock trading volume, and Zhang

Table 7
Cross-sectional analysis: Company's earnings.

	(1) TAP	(2) TAP	(3) TAP
DVisit	0.049***	0.134***	0.023*
	(3.09)	(3.01)	(1.78)
ROA	0.357**		
	(2.05)		
DVisit × ROA	−0.577**		
	(−2.47)		
Profit		0.089**	
		(2.56)	
DVisit × Profit		−0.119**	
		(−2.55)	
ABACC			−0.064
			(−1.58)
DVisit × ABACC			0.078*
			(1.68)
Constant	0.006	−0.081	0.000
	(0.03)	(−0.38)	(0.00)
Controls	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes
N	10,872	10,872	10,791
F-statistics	17.49	17.48	17.57
Adj. R^2	0.097	0.097	0.097

Notes: This table reports the regression results of the impact on return on assets. *ROA* is the return on assets of the firm in the previous year. *Profit* is a dummy variable for profitable firms, coded as 1 if the firm has an operating profit in the last year and 0 otherwise. *ABACC* is the abnormal accruals calculated according to Dechow et al. (1995). *Controls* represent a vector of variables: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables in both panels are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* is the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

et al. (2020) confirm that Sina plays an important role in the stock market volatility. The regression results in Table 4 prove that our previous empirical results are robust.

3.4.2. Expanding samples

We re-include those observations from special treatment stocks, and site visit reports that are disclosed on weekends. The empirical results are presented in Table 5. Column (1) reports the results of samples with the special treatment stocks; Column (2) reports the results of samples with site visit reports that are disclosed on weekends; Column (3) reports the results of samples with both. Overall, our conclusion remains robust after increasing our research sample. In other words, individual investors pay attention to institutional investors' information acquisition activities.

4. Additional analysis

4.1. Different types of institutional investors

We confirmed earlier that individual investors will pay attention to the information acquisition activities of institutional investors. This section examines which types of institutional investors are more attractive to individual investors. Table 6 reports the results. First, we distinguish visitors into buy-side visitors[5] (*Buyers*) and sell-side visitors[6] (*Sellers*). The coefficient of *Buyers* in Column (1) is significantly positive, while the coefficient of *Sellers* is positive without significance. This result confirms that individual investors especially pay attention to the information acquisition activities of buy-side institutions. Second, we further classify buy-side visitors into private funds (*PrivateFund*), mutual funds (*MutualFund*), and other types of institutional investors (*OtherBuyers*). It shows that individual investors are more interested in mutual fund visits in Column (2), which is associated with their high holdings of mutual

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[5] The buy-side visitors mainly include banks, funds, insurance, trust, asset management companies, venture capital companies, and investment management companies.

[6] The sell-side visitors for each site visit event, include securities brokers, futures companies, investment banks, investment consulting companies, etc.

Table 8
Cross-sectional analysis: Manager sentiment.

	(1) TAP	(2) TAP	(3) TAP
DVisit	0.040**	0.020	0.040**
	(2.57)	(1.60)	(2.55)
MS	1.072***		
	(3.01)		
DVisit × MS	−1.010**		
	(−2.23)		
MS_FS		2.588**	
		(2.09)	
DVisit × MS_FS		−2.669*	
		(−1.67)	
MS_PB			0.516***
			(2.83)
DVisit × MS_PB			−0.487**
			(−2.08)
Constant	−0.036	−0.012	−0.027
	(−0.17)	(−0.05)	(−0.13)
Controls	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes
N	10,741	10,741	10,741
F-statistics	17.78	17.54	17.79
Adj. R^2	0.097	0.097	0.097

Notes: This table reports the regression results of the impact on manager sentiment. *MS_FS* is the manager sentiment calculated from financial statements, *MS_PB* is the manager sentiment calculated from performance briefings, and *MS* is the equal-weighted average of *MS_FS* and *MS_PB*. C*ontrols* represent a vector of variables: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement during the window [−56, 7] (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* represents the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

funds. A survey shows that individual investors held 52.88 % of mutual funds by the end of 2022, while institutional investors controlled 47.12 %.[7]

4.2. Cross-sectional analysis

4.2.1. The company's earnings

Due to limited attention, individual investors prefer profitable stocks (Alshammari and Goto, 2022), and high profitability can compensate for individual investors' limited attention to firm information. Thus, we argue that firms with low profitability may attract more individual investors when they release new information. We consider the moderating effect of the firm's profitability, especially when we introduce the return on assets (*ROA*) and whether the company has made an operating profit (*Profit*) in the last year into Model (1) and show the results in Table 7. In Columns (1) and (2), the coefficients of *DVisit × ROA* and *DVisit × Profit* are significantly negative. Our findings show that for firms with lower profitability, individual investors tend to pay more attention to institutional investors' information acquisition activities towards the firms.

Earnings management reflects the firm's information transparency (Hutton et al., 2009; Sloan, 1996). Firms with lower information transparency may make it more difficult for individual investors to receive accurate information about the firm. Hence, individual investors may pay more attention to institutional investors' information acquisition activities at the corresponding firms. Column (3) in Table 7 reports the results of the test. The coefficient of *DVisit × ABACC* is significantly positive. It shows that individual investors pay more attention to institutional investors' information acquisition activities for firms with high earnings management.

4.2.2. Manager sentiment

Jiang et al. (2019) argue that manager and investor sentiment are complementary in predicting stock returns. We expect that when managers show optimism in performance briefing and financial statements, individual investors' confidence in the firm increases, thereby weakening their focus on institutional investors' information acquisition activity. Following Jiang et al. (2019), we measure managerial sentiment using managers' positive and negative words in performance briefings and financial statements. Table 8 shows

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Table 9
Cross-sectional analysis: ESG performance.

	(1) TAP	(2) TAP	(3) TAP	(4) TAP
DVisit	0.022*	0.022*	0.022*	0.023*
	(1.76)	(1.71)	(1.76)	(1.77)
ESG	0.292			
	(1.56)			
DVisit × ESG	−0.502**			
	(−2.05)			
E		0.145		
		(1.14)		
DVisit × E		−0.103		
		(−0.60)		
S			0.181*	
			(1.76)	
DVisit × S			−0.266**	
			(−2.16)	
G				0.142
				(1.01)
DVisit × G				−0.265
				(−1.42)
Constant	−0.034	−0.013	−0.033	−0.047
	(−0.16)	(−0.06)	(−0.15)	(−0.22)
Controls	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes
N	10,607	10,607	10,607	10,607
F-statistics	16.99	16.91	16.99	16.97
Adj. R^2	0.097	0.097	0.097	0.097

Notes: This table reports the regression results of the impact on ESG performance. *ESG* represents the Sino-Security ESG performance score. *E, S, and G* are the environmental, social, and governance scores, respectively. *Controls* represent a vector of variables: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement during the window [−56, 7] (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* represents the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

the results, and the coefficients of interaction terms are all significantly negative, verifying our conjecture that managerial sentiment weakens individual investors' attention.

4.2.3. ESG performance

Investors are increasingly taking ESG factors into investment decisions (Pedersen et al., 2021), which provide additional non-financial information about firms, and the governance effect of site visits enhances firms' ESG performance (Jiang et al., 2022). Individual investors will not necessarily pay attention to institutional investors' information acquisition activities for firms with high ESG performance; however, for firms with poor ESG performance, individual investors will tend to acquire appropriate information through site visit reports. We measure ESG performance with the Sino-Securities ESG score (Li et al., 2023; Lin et al., 2021; Mu et al., 2023). The Sino-Securities ESG score covers all A-share listed companies and is obtained from the Wind database. The findings in Table 9 imply that for firms with low ESG performance, particularly in the social responsibility dimension, individual investors will pay more attention to institutional investors' information acquisition efforts.

4.2.4. Economic uncertainty

Andrei et al. (2023) argue that economic uncertainty has increased investors' attention to firm information. Such as COVID-19 (Zhang, 2023), and the Russia-Ukraine conflict (Zhou and Lu, 2023) may also affect the attention of individual investors. To test whether economic uncertainty impacts the individual investor's attention to site visits, we introduce three indicators of economic uncertainty: realized volatility (*RV*), economic policy uncertainty (*EPU*, Baker et al. (2016)), and a geopolitical risk index (*GPR*, Caldara and Iacoviello (2022)) .[8] However, Table 10 shows that all coefficients of interact terms are insignificant, which reveals that economic uncertainty has not affected individual investors' information acquisition activities towards institutional investors.

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[8] The data of *RV* and *EPU* are obtained from the CSMAR database, and *GPR* is downloaded from https://www.matteoiacoviello.com/gpr.htm.

Table 10
Cross-sectional analysis: Economic uncertainty.

	(1) TAP	(2) TAP	(3) TAP	(4) TAP	(5) TAP
DVisit	0.027**	0.026*	0.027*	0.024*	0.024*
	(2.00)	(1.85)	(1.95)	(1.88)	(1.90)
RV	−0.009*	−0.006	−0.008*		
	(−1.66)	(−1.45)	(−1.68)		
DVisit × RV	−0.003	−0.001	−0.003		
	(−0.48)	(−0.27)	(−0.44)		
EPU				−0.012	
				(−1.24)	
DVisit × EPU				0.004	
				(0.39)	
GPR					−0.037
					(−1.09)
DVisit × GPR					−0.023
					(−0.67)
Constant	0.014	0.012	0.015	−0.013	−0.023
	(0.07)	(0.06)	(0.07)	(−0.06)	(−0.11)
Controls	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes
Day of Week FE	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes
N	10,872	10,872	10,872	10,872	10,872
F-statistics	17.90	17.83	17.82	17.58	17.67
Adj. R^2	0.097	0.096	0.097	0.096	0.096

Notes: This table reports the regression results of the impact on economic uncertainty. *RV* is the realized volatility before the site visit reports. Columns (1), (2), and (3) report the regression results of *RV* calculated using the Shanghai Securities Composite Index, Shenzhen Securities Component Index, and Shanghai-Shenzhen 300 Index, respectively. *EPU* in Column (4) represents the economic policy uncertainty (Baker et al., 2016) based on *People's Daily*. *GPR* in Column (5) is the China geopolitical risk provided by Caldara and Iacoviello (2022). *Controls* represent a vector of variables: abnormal news coverage (*AbNews*), stock return (*Ret*), extreme returns (*D52High, D52Low*), search volume index (*SVI*), firm characteristics (*Asset, BM, Institution, Analysts*), major announcement during the window [−56, 7] (*Bigevent_AF, Bigevent_BF*), information quality of firm (*Big4, RankingB, RankingC, RankingD*). All variables are defined in Appendix Table A.1. *Year FE* is the year-fixed effect, *Quarter FE* is the quarter-fixed effect, *Day of Week FE* is the day-of-week fixed effect, and *Industry FE* represents the industry-fixed effect. Numbers in parentheses are the t-statistics, and standard errors are calculated based on firm-level clustering. *, **, and *** represent significance levels of 0.1, 0.05, and 0.01, respectively.

5. Conclusion

In this study, we examine whether individual investors pay attention to the information acquisition activities of institutional investors by using a sample of China's SZSE-listed firms from August 1, 2012, to December 23, 2022, with a record of site visits and posts on *GUBA*. We show that after disclosing the site visit report, the total abnormal posts of individual investors on the *GUBA* forum increased significantly, indicating that individual investors care about institutional investors' information acquisition activities. Using alternate dependent and independent variables and expanding samples, our empirical results remain robust. Furthermore, we distinguish visitor types and discover that individual investors pay more attention to buy-side visitors (i.e., institutional investors), particularly mutual funds, which are connected to individual investors' high holdings of mutual funds. The cross-sectional analysis results show that individual investors will pay attention to institutional investors' information acquisition activities for firms with low profit, poor information environment, low manager sentiment, and poor ESG performance. Our study enriches the literature on individual investor behavior and their attention.

CRediT authorship contribution statement

Jing Lu: Conceptualization, Funding acquisition, Resources, Methodology, Conceptualization, Writing – review & editing. **Rongze Chen:** Conceptualization, Data curation, Formal analysis, Visualization, Writing – original draft.

Data availability

Data will be made available on request.

Acknowledgment

Appendix

Table A.1
Variables' definitions.

Variables	Definitions	Source
TAP	The natural logarithm of one plus $Posts_i$ during the ex-post event window [1,7] less the natural logarithm of one plus the median value of $Posts_i$ over the ex-ante event window [−56,−1], the ex-ante event window is equally divided into 8 groups. $Posts_i$ is the total posts for firm i on *GUBA* in seven days.	CNRDS
TAP _mean	The natural logarithm of one plus $Posts_i$ during the ex-post event window [1,7] less the natural logarithm of one plus the average value of $Posts_i$ over the ex-ante event window [−56,−1], the ex-ante event window is equally divided into 8 groups. $Posts_i$ is the total posts for firm i on *GUBA* in seven days.	CNRDS
DTAP _90	A dummy variable that equals one if the daily average posts in the window [1,7] exceed 90 percent of the daily average posts in the window [−56,−1], 0 otherwise.	CNRDS
DTAP _95	A dummy variable that equals one if the daily average posts in the window [1,7] exceed 95 percent of the daily average posts in the window [−56,−1], 0 otherwise.	CNRDS
DVisit	A dummy variable that equals one if the institutional investors conduct a site visit, and 0 otherwise.	CSMAR
AbNews	The natural logarithm of one plus the news coverage in the window [1,7] less the natural logarithm of one plus the news coverage in the window [−30,−1] for firm i. We choose *China Securities Journal, Securities Daily, Securities Times, Shanghai Securities News, China Business Journal, 21st Century Business Herald, The Economic Observer*, and *China Business News* as our firm's news sources.	CSMAR
Ret	The average daily stock return in the window [1,5].	CSMAR
D52High	A dummy variable that equals one if the stock's price exceeds its 52-week highest price for firm i, and zero otherwise.	CSMAR
D52Low	A dummy variable that equals one if the stock's price is below its 52-week lowest price for firm i, and zero otherwise.	CSMAR
SVI	The natural logarithm of one plus the total search volume index for the firm i in the window [1,7].	CNRDS
Asset	The natural logarithm of the firm i's total assets for the year before the corporate site visit event.	CSMAR
BM	The firm i's book-to-market ratio for the year before the corporate site visit event.	CSMAR
Institution	The ratio of the firm i's institutional ownership for the year before the corporate site visit event.	CSMAR
Analyst	The natural logarithm of one plus the analyst coverage in the year when the corporate site visit event occurred plus one.	CSMAR
Bigevent_AF	A dummy variable that equals one if the site visit is within the event window [1, 7] centered on any of the following corporate major events: directional add-issuance, change of chairperson or general manager, changes in equity, related party transaction, dividend distribution, merger and acquisition, earnings announcement disclosure, rights issue, lawsuits, company violation.	CSMAR
Bigevent_BF	A dummy variable that equals one if the site visit is within the event window [−56,0] centered on any of the following corporate major events: directional add-issuance, change of chairperson or general manager, changes in equity, related party transaction, dividend distribution, merger and acquisition, earnings announcement disclosure, rights issue, lawsuits, company violation.	CSMAR
Big4	A dummy variable that equals one if the firm is audited by one of the Big Four auditors and 0 otherwise.	CSMAR
RankingB	A dummy variable that equals one if the information disclosure rating is B, 0 otherwise. Shenzhen Stock Exchange classifies listed companies into four levels, A, B, C, and D, according to the quality of corporate information disclosure. A is the highest level and D is the lowest level.	CSMAR
RankingC	A dummy variable that equals one if the information disclosure rating is C, 0 otherwise. Shenzhen Stock Exchange classifies listed companies into four levels, A, B, C, and D, according to the quality of corporate information disclosure. A is the highest level and D is the lowest level.	CSMAR
RankingD	A dummy variable that equals one if the information disclosure rating is D, 0 otherwise. Shenzhen Stock Exchange classifies listed companies into four levels, A, B, C, and D, according to the quality of corporate information disclosure. A is the highest level and D is the lowest level.	CSMAR
Visitors	The natural logarithm of one plus the number of visitors (i.e., visiting institutions) in a site visit event.	CSMAR
Buyers	Defined as the number of buy-side visitors for each site visit event, the buy-side visitors mainly include banks, funds, insurance, trust, asset management companies, venture capital companies, investment management companies, etc.	CSMAR
Sellers	Defined as the number of sell-side visitors for each site visit event, the sell-side visitors mainly include securities brokers, futures companies, investment banks, investment consulting companies, etc.	CSMAR
PrivateFund	Defined as the number of private funds for each site visit event.	CSMAR
MutualFund	Defined as the number of mutual funds for each site visit event.	CSMAR
OtherBuyers	Defined as the number of buy-side visitors excluding private funds and mutual funds for each site visit event.	CSMAR
ROA	Return on assets.	CSMAR
Profit	A dummy variable for profitable firms, coded as 1 if the firm has an operating profit in the last year, and 0 otherwise.	CSMAR
ABACC	The abnormal accruals calculated according to Dechow et al. (1995)	CSMAR
TAP_Sina	Total abnormal posts, calculated based on the Sina stock discussion forum.	CSMAR
MS	Manager sentiment, the difference between positive and negative words is divided by the total words, which is the equal-weighted average of manager sentiments in financial statements and performance briefings.	CNRDS
MS_FS	Manager sentiment in financial statements, the difference between positive and negative words (according to Loughran and McDonald (2011)) is divided by the total words.	CNRDS
MS_PB	Manager sentiment in performance briefings, the difference between positive and negative words (according to Loughran and McDonald (2011)) is divided by the total words.	CNRDS
ESG	The score of Sino-Security ESG performance.	WIND
E	The scores of Sino-Security ESG performance in the environment dimensions.	WIND
S	The scores of Sino-Security ESG performance in the social dimensions.	WIND
G	The scores of Sino-Security ESG performance in the governance dimensions.	WIND
RV	The realized volatility before the site visit reports.	CSMAR
EPU	The China economic policy uncertainty (Baker et al., 2016) based on *People's Daily*.	CSMAR
GPR	The China geopolitical risk provided by Caldara and Iacoviello (2022).	Website

Notes: This table reports the variables' definitions.

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